



Why the New Overtime Rule May Not Boost Your Pay

News

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The article, "Why the New Overtime Rule May Not Boost Your Pay," featured in *NOLA*, discussed how in practice, the new overtime rule could mean raises for some, fewer hours for others and, for many, no change in pay at all.

Ed Harold said area employers are already starting to audit their workforces. He expects some cases of pay hikes. Many employers, however, are assessing how to lower hours worked or adjust how workers are paid to keep paychecks the same, he said.

"This is being sold as giving a raise to a bunch of people," Ed said. "I don't think that's going to happen necessarily."

Harold said the hourly worker versus salary worker narrative is misleading. Workers who earn above the salary threshold can still be eligible for overtime pay. Exempt workers have to both earn the minimum salary and perform specific administrative, professional or supervisory duties spelled out in federal labor law, he said.

Ed said employers have to ask which workers should be exempt and who can continue to do the same work on an hourly basis.

He expects many workers who make below the \$47,500 threshold will be paid the same amount on an hourly basis, but will have to work a strict 40-hour workweek. Others could be required to work the same amount of hours, but will see their base pay decrease in order to account for overtime paid out.

"It becomes a math problem at that point," Ed said.

To read the full article, please visit [NOLA](#).

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